

RM 222



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Fax Number: 202/418-2813	At: Howard & Howard
From: Lisa A. Sheesley, Secretary	Fax Number: (517) 485-1568
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Message:

Attached please find a transmittal letter addressed to William F. Caton, together with the Reply Comments to the Initial Regulatory Flexibility Analysis; Reply Comments of the Small Business Association; and Certificate of Service. Please have the same forwarded to the mailroom. I will be contacting you later today to verify that the documents have been received. Should you have any questions, please feel free to contact me.

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Reply to: **Lansing**
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March 31, 1997

VIA FAX and FEDERAL EXPRESS

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, D.C. 20554

Re: **Reply Comments of The Small Cable Business Association; Reply Comments to the Initial Regulatory Flexibility Analysis; MM Docket No. 95-176**

Dear Mr. Caton:

We enclose for filing in MM Docket No. 95-176 the above-referenced documents. We have enclosed the originals and eleven copies of each for distribution. We also enclose one copy of each that we ask that you return to us in the enclosed envelope after they have been stamped "Received". We also transmitted the documents today to the Commission by fax.

We also include a copy of the documents on disk.

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Office of Secretary

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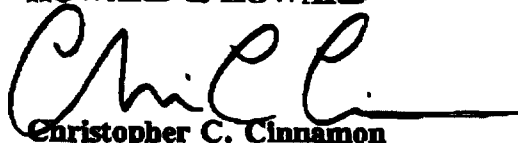
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Mr. William F. Caton
March 31, 1997
Page 2

If you have any questions or need additional information, please contact us.

Very truly yours,

HOWARD & HOWARD



Christopher C. Cinnamon

Enclosures

cc: Chairman Reed Hundt
Commissioner James H. Quello
Commissioner Rachelle B. Chong
Commissioner Susan Ness
Meredith Jones
John E. Logan
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Marcia Glauberman
Rick Chessan
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Eric E. Breisach

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HOWARD & HOWARD
ATTORNEYS

CERTIFICATE OF SERVICE

I, Lisa Sheesley, a secretary at the law firm of Howard & Howard Attorneys, P.C., declare that the Comments of the Small Cable Business Association and the Reply Comments to the Initial Regulatory Flexibility Act Analysis, MM Docket No. 95-176, were sent on the 31st day of March, 1997 via fax and Federal Express to:

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, NW
Washington, D.C. 20554

and that in a second Federal Express envelope nine individual envelopes were sent, each containing a copy of the above-referred to document and a copy of the March 31, 1997 letter directed to Mr. Caton. The nine envelopes were addressed as follows:

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Cable Services Bureau
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Mr. John E. Logan
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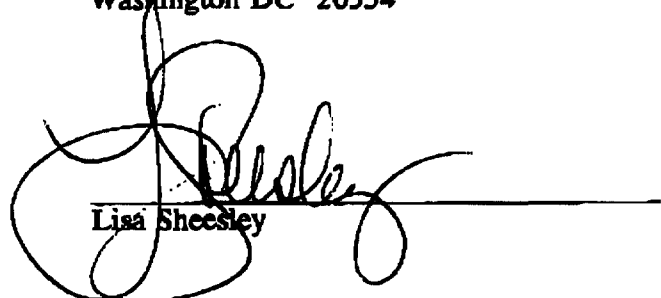
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Dated: March 31, 1997

ccc\acba\033197.ert



Lisa Sheesley

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
)	
Closed Captioning and Video)	MM Docket No. 95-176
Description of Video Programming)	
)	
Implementation of Section 305 of the)	
Telecommunications Act of 1996)	
)	
Video Programming Accessibility)	

**REPLY COMMENTS OF THE
SMALL CABLE BUSINESS ASSOCIATION**

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March 31, 1997

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SUMMARY

The record in this rulemaking currently contains little information concerning the adverse impact of the proposed closed captioning rules on small cable. To help fill this critical gap, SCBA files these reply comments.

In other proceedings, the Commission has developed a substantial record concerning the disparate costs and burdens of regulatory compliance on small cable. The Commission has made adjustments to its rules to accommodate small cable. To avoid imposing undue burdens on small cable in this rulemaking, the Commission must adopt provisions that reflect the higher per subscriber costs of closed captioning and compliance faced by small cable.

Specifically, SCBA proposes the following provision to ameliorate undue burdens on small cable:

1. Place compilations obligations on programming producers and owners.
2. Exempt small cable operators from any compliance obligations.
3. Adopt streamlined compliance procedures for small cable systems including:
 - a. Permitting qualifying small systems to rely on programmer certifications of compliance.
 - b. Shifting the burden of proof to the complainant when programmer certifications show compliance.
4. Adopt streamlined, low-cost waiver procedures for small systems.
5. Exempt PEG programming.
6. Exempt LO programming.

By adopting these provisions, the Commission will minimize unnecessary regulatory burdens on small cable, consistent with the goals of Section 713.

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
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Closed Captioning and Video)	MM Docket No. 95-176
Description of Video Programming)	
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Implementation of Section 305 of the)	
Telecommunications Act of 1996)	
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Video Programming Accessibility)	

**REPLY COMMENTS OF THE
SMALL CABLE BUSINESS ASSOCIATION**

I. INTRODUCTION

The record in this rulemaking currently contains little information concerning the adverse impact of the proposed closed captioning rules on small cable. To help fill this critical gap, SCBA files these reply comments to the *Notice*.¹ SCBA also files separate reply comments addressing the Initial Regulatory Flexibility Analysis.

Without appropriate small cable provisions, mandatory closed captioning could saddle small cable operators with excessively high per subscriber compliance costs. Closed captioning costs and the costs of compliance represent fixed costs. Small cable operators and small cable systems have insufficient subscriber bases over which to spread these costs. This makes compliance with the proposed requirements economically impossible. The Commission has

¹ *Notice of Proposed Rulemaking*, MM Docket No. 95-176, FCC 97-4, (released January 17, 1997) ("*Notice*").

developed a substantial record concerning small cable's predicament and has made appropriate adjustments to its rules in other rulemakings.² As elsewhere, small cable needs carefully tailored exemptions, waiver procedures and recordkeeping relief.

SCBA currently speaks for over 280 independent cable operators. Since its beginning in May 1993, SCBA has participated in many Commission rulemakings, making consistent contributions to the Commission's development of appropriate regulatory provisions for small systems and small operators. In these reply comments, SCBA proposes specific adjustments to the closed captioning requirements and procedures that will accommodate the high per subscriber costs of compliance for small cable. These adjustments will allow small cable to assist in fulfilling the statutory requirements without undue burdens and will preserve small cable's ability to provide local origination and PEG programming.

II. KEY CONCERNS OF SMALL CABLE

SCBA has four key concerns with the proposed closed captioning rules:

- Small cable will bear closed captioning compliance burdens but, unlike larger programming distributors, will not have the leverage to require compliance from programmers.
- Small cable will bear closed captioning compliance burdens but cannot absorb the high per subscriber cost of captioning PEG and local origination programming. PEG and LO programming are critical public services provided by many small systems; mandatory closed captioning will require the elimination of many of these services.
- Many small systems will find it financially impossible to access the waiver process if required to initiate a formal petition for special relief proceeding.

² *Sixth Report and Order and Eleventh Order on Reconsideration*, MM Docket Nos. 92-266, 93-215, FCC 95-196 (released June 5, 1995) ("*Small System Order*"); *Second Report and Order and Second Order on Reconsideration of the First Report and Order*, CS Docket No. 96-60, FCC 97-27 (released February 4, 1997) ("*Leased Access Reconsideration*").

- Small cable systems require continued relief from administrative and recordkeeping burdens. Truly small operators should receive an exemption as a class.

The Commission may address these concerns through pragmatic adjustments to its rules and remain well within its authority under Section 713. Congress specifically granted the Commission authority to tailor its rules to avoid imposing unaffordable burdens on small providers. The Regulatory Flexibility Act also requires the Commission to consider means to minimize regulatory burdens on small entities. SCBA proposes below specific rules and procedures that will help small cable to facilitate access to programming by the hearing impaired, while easing undue burdens that would otherwise result.

III. PROPOSED SMALL CABLE RULES

- A. The Commission should place the compliance obligations on programming producers and owners.

Congress and the Commission recognize that programming producers and owners will serve as the least-cost providers of closed captioning.³ Despite this conclusion, the *Notice* seeks to place compliance burdens on programming providers, including small cable. This compares to enforcing air quality standards by citing drivers rather than automakers, an inefficient compliance mechanism that would increase driving costs rather than improve emission quality. This tentative regulatory scheme imposes several layers of transaction costs on the process, wasting resources that could be better spent on increasing closed captioning and keeping cable rates down.

³ H.R. Report 104-204, 104th Cong., 1st Sess. at 114 ("It is clearly more efficient and economical to caption programming at the time of production and to distribute it with captions than to have each delivery system or local broadcaster caption the program."); Notice ¶¶ 6, 27.

For these broad reasons, SCBA supports the many commenters who ask the Commission to place the compliance obligations on programming producers and owners.⁴ Relying on cable operators to "provide the incentive to caption" imposes unnecessary transaction costs between the statute and its implementation. This will also impose unique undue burdens on small cable. The *Notice* does not consider this.

The Commission explains its proposed allocation of compliance burdens as follows:

We believe that the programming providers are in the best position to ensure that the programming they distribute is closed captioned because of their role in the purchasing of programming from providers. For example, a provider can refuse to purchase programming that is not closed captioned.

* * *

[W]e anticipate that our rules will result in video programming providers incorporating such requirements into their contracts with video producers and owners, regardless of which party has the obligation to comply with our rules. . . . We seek comment on whether there are any anomalous situations created by our proposal to place the responsibility for compliance with our closed captioning rules on video programming providers.⁵

Small cable and other small providers present a class of "anomalous situations" that require adjustments to the Commission's rules.

The *Notice* assumes that programming providers have leverage to demand captioning as consideration for carriage. For large programming providers, this may apply.⁶ Cable networks, broadcast programming, national news programming and other types of programming require distribution by large programming providers - cable, DBS, broadcast and others - to

⁴ Ameritech New Media Comments, p.5; GTE Comments, p.2; SBC Comments, p. 4; U.S. West Comments, p.9.

⁵ *Notice*, ¶¶ 28, 30.

⁶ NCTA Comments, p. 33.

survive. Large programming providers can incorporate such requirements into contracts and expect agreement.

Not so for small cable. Small cable continues to struggle against substantial programming producers and owners who refuse to negotiate fairly with small cable and refuse to deal with the National Cable Television Cooperative.⁷ Moreover, these programmers supply the popular programming that subscribers demand and that small cable must carry to compete with DBS, MMDS and other providers. Consequently, small cable is squeezed. No genuine choice exists to not carry such programming.⁸

As a result, the Commission's analysis concerning programming providers' power to require captioning by contract does not apply to small cable operators. The record shows that small broadcasters pose a similar anomaly.⁹

The Commission has a well-developed record showing that small cable faces disparate regulatory burdens and higher cost structures than larger systems.¹⁰ Based on its analysis of small systems, the Commission has ample information to conclude that small cable operators cannot incur the high per subscriber cost of captioning programming.

The Commission can resolve this anomaly by one of several means. Several commenters

⁷ See, e.g. SCBA Petition to Deny, In re: The Walt Disney Company and Capital Cities/ABC, Inc., BTCCT-950823KF-LJ, filed September 27, 1995 (discussing impact on small cable of vertically integrated programmers that refuse to deal with NCTC).

⁸ Even giant Ameritech recognizes this. Ameritech New Media Comments, p. 10 ("It is unrealistic to think that a provider, especially a small CATV operator, could simply refuse to carry popular programming that the owner refuses to caption.").

⁹ Comments of the Association of America's Public Television stations and the Public Broadcasting Service, p. 11.

¹⁰ *Small System Order*, ¶¶ 6, 27, 53, 55, 56.

suggest the most straightforward proposal - place the compliance burden on the most efficient source of captioning, programming producers and owners. This will lower the ultimate costs of captioning by eliminating transaction costs of negotiating captioning issues between providers and producers. This will also most broadly spread the costs of captioning to all consumers of programming and not disproportionately shift costs to smaller programming providers and their customers. This will also ensure the broadest dissemination of non-exempt captioned programming, and fulfilling the mandate of Section 713.

If the Commission does not place the compliance burden on programming producers and owners, then small cable requires additional adjustments to the proposed rules to reflect the undue economic burdens of captioning and small cable's lack of market power to require captioning by programmers.

B. The Commission should exempt as a class small cable operators serving 1,000 or fewer subscribers.

If the Commission maintains placing compliance burdens on programming providers, it should establish an exemption for small cable operators. The *Notice* recognizes the Commission has authority to do so.¹¹ The Commission considered an exemption for small providers, but initially concluded that it was unnecessary. "All classes of providers appear to have the technical capability to deliver closed captioning to viewers intact."¹² For truly small systems, the issue is not the technical ability to transmit captioned programming - all systems have that capability. The issue is the financial ability to bear the costs of any mandatory captioning along

¹¹ *Notice*, ¶ 85.

¹² *Id.*

with the administrative burdens of compliance, recordkeeping, and defending complaints.

The Commission cannot reasonably establish a regulatory scheme that could require small cable operators and their customers to pay for any closed captioning. As the *Notice* indicates, captioning costs range between about \$300 and \$2500 per programming hour.¹³ For a 1,000 subscriber system to caption even one hour of programming would impose a cost of between \$0.30 and \$2.50 per hour per subscriber. That is for a single hour on a single channel. If a small cable operator were required to caption even 10 hours of programming per month to meet compliance thresholds, this would cost between \$3.00 and \$25.00 per subscriber per month. The Commission has already recognized that for regulated small systems, a rate of \$1.24 per channel per month is the presumed reasonable maximum permissible rate, without a special showing.¹⁴ Even minor captioning requirements could, at a minimum, triple this rate to cover captioning costs alone.

SCBA believes that the Commission does not intend this anomalous result. The *Notice*, however, did not consider the consequences of even minimal captioning compliance burdens on small cable. Consideration of the high per subscriber costs of providing captioning shows that an exemption for truly small operators is warranted to relieve the patently undue burdens that class of providers would otherwise bear.

In addition to the costs of providing even minimal captioning, a small operator exemption will relieve small operators from the administrative burdens and costs of record retention and defending against complaints. Most small operators are family-run businesses with rarely more

¹³ *Notice*, ¶ 18-22.

¹⁴ *Small System Order*, ¶ 54.

than one full-time non-family employee. As the Commission has recognized, the administrative burdens of cable regulation had fallen too heavily on these small businesses, and substantial relief is appropriate.¹⁵ This policy applies directly to this rulemaking as well.

Establishing a class exemption for 1,000 subscribers and below systems will protect truly small systems. This 1,000 subscriber threshold aligns with other small operator relief established by the Commission.¹⁶ As the *Notice* recognizes, customers served by these systems will still receive a substantial amount of captioned programming, an amount that will continue to increase as programming producers and owners respond to the closed captioning rules.¹⁷ Consequently, an exemption for small operators will serve both the statutory mandate to make video programming fully accessible while exempting a class of providers for whom mandatory captioning would impose excessive economic burdens.

C. The Commission should adopt streamlined compliance procedures and waiver procedures for systems serving 15,000 subscribers or less.

For small systems serving 15,000 subscribers or less,¹⁸ the Commission should adopt streamlined compliance and waiver procedures. Streamlined compliance procedures, similar to small system rate regulation relief, will ease the disparate per subscriber cost of compliance that small systems would face. Streamlined waiver procedures will allow qualifying small systems

¹⁵ *Id.*, ¶¶ 55 and 56; *Leased Access Reconsideration Order*, ¶ 130.

¹⁶ See, e.g. 47 C.F.R. § 76.95 (network non-duplication exemption); 47 C.F.R. § 76.156 (syndicated exclusivity exemption).

¹⁷ *Notice*, ¶¶ 12-17, discussing substantial percentages of programming that is currently captioned.

¹⁸ The Commission has already determined that small system financial and administrative burdens warrant regulatory relief. *Small System Order*, ¶ 53; *Leased Access Reconsideration*; ¶¶ 130, 134.

to seek individual waivers or exemptions at a lower cost than existing special relief procedures.

1. Compliance procedures.

Qualifying small systems should be permitted to obtain and rely upon statements of compliance from programming providers. If a complaint is filed against the small system, it can respond by submitting to the complainant and the Commission the statements of compliance and other information that establishes whether the small system has met the applicable percentage threshold. If the statements of compliance from programmers and other information show that the small system meets or exceeds the closed captioning standard, then the burden of proof should shift to the complainant to establish a violation of the Commission's rules.

This compliance mechanism minimizes operational regulatory burdens on small systems and focuses compliance efforts on cases of alleged violations. Establishing compliance with statements of compliance from programmers and other information and shifting the burden of proof to the complainant aligns with the small system rate regulation procedures.¹⁹ The Commission adopted small system rate regulation procedures for the identical reasons that SCBA advocates these procedures here - to reduce the disparate burdens of cable regulation on small systems.

2. Waiver procedures.

Concerning procedures for individual waivers or exemptions, the Commission should establish streamlined, low-cost procedures for qualifying small systems. The Commission should allow small systems to submit, in letter form, their reasons for seeking relief from the closed captioning rules. The rules should permit small systems to present all arguments and

¹⁹ 47 C.F.R. § 76.934(h)(5)(i).

information that they feel justifies relief. The Commission would then put the waiver requests on public notice, allowing interested parties to participate. The cable operator would then have an opportunity to reply to any oppositions. Qualifying small systems should also not be required to pay the nearly \$1000 filing fee for submitting a petition for special relief.

These streamlined, less formal procedures will allow small systems to seek waivers or exemptions at a lower cost in terms of attorney fees and filing fees. In the context of small system rate regulation, several SCBA members with systems falling outside of the Commission's size quotas have declined seeking small system status due the cost of a full-blown petition for special relief proceeding. These adjustments to the Commission's procedures will help systems that face undue compliance burdens to more readily access relief procedures.

IV. THE COMMISSION SHOULD EXEMPT PEG PROGRAMMING.

SCBA supports the programming providers and municipalities that seek an exemption for PEG programming. Many commenters describe how even minimal mandatory captioning would exceed PEG access budgets.²⁰ These comments provide ample support for a class exemption permitted by the statute. SCBA adds two additional small cable concerns that militate against mandatory captioning on PEG programming.

First, PEG programming represents a critical public service that small cable operators can provide their community. National DBS and MMDS providers cannot or do not provide

²⁰ Kansas City Comments, p. 2-5; Tualatin Valley Community Access Comments, p. 1; Hoike; Kauai Community Television, Inc., p. 1; Lathrup Village Comments, p. 1; Kalamazoo Community Access Center Comments, p. 1; Ameritech New Media Comments, p. 16; Roman Catholic Diocese of Rockville Centre Comments, p. 4; U.S. West Comments, p. 5; Chicago Access Corp. Comments, p. 2; Plymouth Community Channel 3 Comments, p. 1; Westbound Community Access Television, Inc. Comments, p. 2; SNCT Comments, p. 2; Southwest Suburban Cable Commission Comments, p. 2.

such services. As explained by numerous municipal commenters, mandatory captioning will result in substantially reducing or even eliminating PEG programming. This will have a severe adverse impact on small cable's ability to serve the public interest in diverse, local PEG programming.

Second, for those municipalities that seek to continue providing captioned PEG programming, the costs will ultimately be borne by the small system and its subscribers. PEG support is a heavily negotiated item in most franchise renewals, and municipalities look to cable operators and their customers to pay for PEG. SCBA members readily contribute to this service when it can provide services that subscribers and municipalities seek at a reasonable price. When captioning costs of \$300 to \$2500 per hour are added to other PEG support, the high per subscriber cost will require most small systems to cease PEG programming.

V. THE COMMISSION SHOULD EXEMPT LOCAL ORIGINATION PROGRAMMING.

SCBA supports the commenters that seek an exemption for LO programming as a class.²¹ Even more so than PEG programming, cable operators and LO programmers produce LO programming on extremely lean budgets. As SCBA members and other small operators recently explained to Cable Service Bureau officials, imposition of mandatory closed captioning will shut down LO programming in their franchise areas.²² Many smaller communities will lose a vital source of local news, entertainment and information.

LO programming also presents a critical public service provided by small cable. The

²¹ Time Warner Cable Comments; NCTA Comments, p. 24; U.S. West Comments, p. 3.

²² NCTA Small System Forum, March 18, 1997, New Orleans.

ability to provide LO at a reasonable cost permits small cable to offer a unique service that national DBS and MMDS operators cannot or do not offer. In this way, small cable provides a vital medium for diverse programming that directly addresses local interests. An exemption for LO programming will avoid the undue burdens that would eliminate such programming in small markets. In addition, the exemption will serve the substantial public interest in diverse local programming.

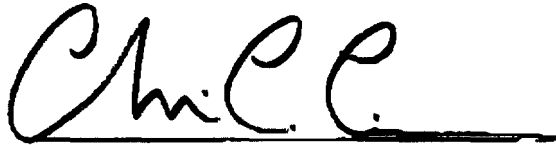
VI. CONCLUSION

Section 713 and the Regulatory Flexibility Act empower the Commission to make adjustments to the closed captioning rules to avoid undue burdens of compliance and to minimize regulatory burdens on small cable. The Commission has a well-developed record concerning the need for small cable regulatory provisions. In this proceeding, SCBA requests that the Commission make the following adjustments to its rules:

1. Place compliance obligations on programming producers and owners.
2. Exempt small cable operators from any compliance obligations.
3. Adopt streamlined compliance procedures for small cable systems including:
 - a. Permitting qualifying small systems to rely on programmer certifications of compliance.
 - b. Shifting the burden of proof to the complainant when programmer certifications show compliance.
4. Adopt streamlined, low-cost waiver procedures for small systems.
5. Exempt PEG programming.
6. Exempt LO programming.

By adopting these provisions, the Commission will minimize unnecessary regulatory burdens on small cable consistent with the goals of Section 713.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Eric E. Breisach", written over a horizontal line.

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**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
)	
Closed Captioning and Video)	MM Docket No. 95-176
Description of Video Programming)	
)	
Implementation of Section 305 of the)	
Telecommunications Act of 1996)	
)	
Video Programming Accessibility)	

**REPLY COMMENTS TO THE
INITIAL REGULATORY FLEXIBILITY ANALYSIS**

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**REPLY COMMENTS TO THE
INITIAL REGULATORY FLEXIBILITY ANALYSIS**

The Small Cable Business Association ("SCBA") files these reply comments in response to the Initial Regulatory Flexibility Analysis in *Notice of Proposed Rulemaking*, MM Docket No. 95-176, FCC 97-4 (released January 17, 1997) ("*Notice*"). SCBA has filed separate reply comments that detail the significant adverse impact of the proposed rules on small cable operators and small cable systems. SCBA's reply comments also propose significant alternatives that will minimize the burdens of closed captioning regulations on small cable in a manner consistent with the objectives of Section 713.

SCBA agrees with the Commission's analysis that the proposed rules will have a significant impact on a substantial number of small businesses, including small cable.¹ As detailed in SCBA's comments, the proposals for implementing Section 713 will significantly affect small cable operators and small cable systems. SCBA also agrees with the Commission's analysis that the *Notice* seeks comment on mechanisms that will exempt small entities from captioning requirements that would create an economic burden. The *Notice* also seeks comment on procedural issues concerning individual exemptions.

The IRFA is incomplete in at least one respect. The Commission tentatively concludes that small providers should not receive an exemption as a class due to economic burdens because "all classes of providers appear to have the technical capability to deliver closed captioning to viewers intact."² This conclusion ignores the substantial regulatory and economic burdens that

¹ *Notice*, ¶ 130.

² *Notice*, ¶ 85.

small cable will face if the Commission allocates closed captioning compliance to providers. The IRFA neglects to seek comment on a class exemption for small providers.

In consider final closed captioning rules, the Commission should consider the substantial record that it has developed concerning the disparate burdens and costs of regulations on small cable.³ The Commission has used this record to develop small system rate regulation relief and to make small system adjustments to the revised leased access rules.⁴ To fulfill the Commission's obligations under the Regulatory Flexibility Act, it should include in this proceeding its well-developed considerations of small cable's regulatory predicament.

The Commission has gained ample experience in the last four years in addressing the unique circumstances of small cable. As stated in the *Small System Order*:

We acknowledge that a large number of smaller cable operators face difficult challenges in attempting simultaneously to provide good service to subscribers, to charge reasonable rates, to upgrade networks, and to prepare for potential competition. Since passage of the 1992 Cable Act, the Commission has worked continuously with the small cable industry to learn more about their legitimate business needs and how our rate regulations might better enable them to provide good service to subscribers while charging reasonable rates.⁵

In its reply comments, SCBA requests that the Commission apply to this proceeding the experience gained in addressing the issues of small cable. SCBA has proposed practical and reasonable approaches for minimizing regulatory burdens on small cable while advancing the goals of Section 713.

³ *Sixth Report and Order and Eleventh Order on Reconsideration*, MM Docket Nos. 92-266 and 93-215, FCC 95-196 (released June 5, 1995) ("*Small System Order*").

⁴ *Second Report and Order and Second Order on Reconsideration of the First Report and Order*, CS Docket No. 96-60, FCC 97-27 (released February 4, 1997).


⁵ *Small System Order*, ¶ 125.

Specifically, SCBA proposes special rules for small cable including:

1. Allocation of the burden of compliance to programming producers and owners.
2. A class exemption for small cable operators serving 1,000 subscribers or less.
3. Streamlined compliance and complaint rules for small cable systems serving 15,000 subscribers or less including:
 - a. Reliance on statements of compliance from programmers to respond to establish compliance.
 - b. When statements of compliance from programmers show compliance, a burden of proof shift to the complainant to show noncompliance.
4. Streamlined waiver procedures to permit qualifying small systems to access a simplified, low-cost waiver process.
5. A class exemption for PEG programming.
6. A class exemption for local origination programming.

SCBA request that the Commission thoroughly consider the issues impact small cable and issue a comprehensive Final Regulatory Flexibility Analysis in this rulemaking.

Respectfully submitted,


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